REMARKS

In the Office Action dated October 31, 2005, updating of the first paragraph of the specification was required, which has been done. Additionally, the specification has been editorially amended to make further changes that were made and approved in co-pending application Serial No. 10/681,805, which is another divisional application of the same parent application as the present application.

Claims 4, 5, 7-11, 17, 18 and 20-25 were rejected under 35 U.S.C. §103(a) as being unpatentable over Liu et al. in view of Hasegawa. Those claims also were rejected under 35 U.S.C. §103(a) as being unpatentable over Herzer '563 or Herzer et al. '695.

These rejections are respectfully traversed in view of the amendment to the claims. By the present Amendment, each of independent claims 4 and 17 has been amended to describe the composition as being selected to comprise an Fe content larger than about 30 at%, Ni, Si, B and at least one element from groups Vb and VIb of the periodic table. The independent claims also have been amended to state that the annealed article has $dH_k/d\sigma > 0$, and to state that the induced magnetic easy axis perpendicular to the longitudinal axis is due to a combination of the composition, the temperature and the tensile stress.

Support for these limitations exists in the parent specification as originally filed in the paragraph beginning at page 23, lines 12 and in the paragraph beginning at page 24, line 1 (paragraphs [0067] and [0068] of the substitute specification). A method for annealing a magnetic amorphous alloy article, and a method for making a marker for use in a magnetomechanical electronic article surveillance system, as set

forth in amended claims 4 and 17 is not disclosed or suggested in any of the references relied upon by the Examiner.

None of the Liu et al. or Hasegawa or Herzer references provides any disclosure or suggestion for making a magnetic amorphous alloy article, or a magnetomechanical marker embodying such an article, as now set forth in claims 4 and 17, having the properties as described in those claims. The Herzer et al. reference, in Figure 4, describes the dependence of the anisotropic field on tensile strength during annealing for alloys having various iron contents. It is clearly shown in that figure that alloys with a high iron content have a zero or negative $dh_k/d\sigma$ slope, and only the allows with a low iron content exhibit a positive slope. These alloys, however, have a high cobalt content, causing the disadvantage of making those alloys expensive.

Therefore, none of the prior art references discloses or suggests a method employing an alloy composition with a high iron content and a low cobalt content, as disclosed and claimed in the present application.

All claims of the application are therefore submitted to be in condition for allowance, and early reconsideration of the application is respectfully requested.

Submitted by,

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